

RALEIGH-DURHAM AIRPORT AUTHORITY

MINUTES

August 15, 2002

Chairman Gibbs presided. Present: members Clancy; Lane; Parker; Sparrow; Teer; Toler and Winston. Also present: Airport Director Brantley; Deputy Director, Operations, Shackelford; Deputy Director, Facilities Engineering & Maintenance Pittman; Deputy Director, Finance, Business & Administration Gill; Major Capital Improvements Program Director Powell; Customer Service & Organizational Support Director Damiano; Administration Director Umphrey; Finance Director Barritt; Senior Program Manager Edmondson; Senior Program Manager Quesenberry; Facilities Engineering Manager Jewett; Parking Director Scialdone; Maintenance Manager Fulp; Customer Relations Supervisor Kawiecki; Properties & Insurance Officer Quinn; Emergency Services Manager Thompson; Assistant Law Enforcement Manager Tippet; Information Technology Manager Schiller; Communications Manager Hamlin; Ground Transportation Manager Odom; Ground Transportation Coordinator Nye; Financial Analyst Golden; Internal Auditor Jordan; Environmental Manager Gilkinson; Operations Manager Nelson; Network Administrator King; Purchasing Officer Thompson; Accountant Marion; Executive Assistant Mitchell and Attorney Tatum.

Guests: Vicki Hyman, The News & Observer and Charles McCloskey, Parsons Transportation.

APPROVAL OF AGENDA – There were no changes to the agenda, and it was approved as submitted.

APPROVAL OF MINUTES – There were no changes to the minutes of the July 18, 2002 meeting, and they were approved as submitted.

CHAIRMAN'S COMMENTS – Chairman Gibbs wished the concessionaires well in the launching of the RDU Landing concession program on August 16, 2002.

AIRCRAFT NOISE ABATEMENT COMMITTEE – Member Lane reported the Committee met on July 30, 2002 and discussed the following items:

1. Status of Permanent Noise & Operations Monitoring System. The Committee expects development of the equipment specifications and bid package to be completed by September. The Committee looks forward to the vendor selection process and implementation of the noise monitoring system.
2. Presentation by Alan Hass, HMMH. Alan Hass, noise consultant with HMMH, presented representative types of data and reports that will be available from the noise monitoring system. The Committee was very impressed with the information presented. Member Lane said the readily available data should be beneficial in assisting the Authority with imaging and public relations and providing consistent and reliable information.

The Authority received the report. No further action was required.

OPERATIONS COMMITTEE – Member Sparrow reported the Committee met on August 15, 2002 and discussed the following item:

1. Staff report on Taxicab Stand Manager Request for Proposals. Ground Transportation Manager Odom reviewed the contents of the Request for Proposals for the Taxicab Stand Manager. The Request for Proposals is scheduled to be issued August 19, 2002. A Pre-Proposal Conference will be held September 5, 2002 and a tour of the existing facilities and operations offered at that time. Proposals will be due on September 30, 2002. A recommendation for award of the contract will be brought before the Authority at its October 17, 2002 meeting.

Member Sparrow thanked the staff for doing such a thorough job in preparing the Request for Proposals.

The Authority received the report. No further action was required.

LAND & DEVELOPMENT COMMITTEE – Member Teer reported the Committee met on August 15, 2002 and discussed the following items:

1. Award of a contract for landscape maintenance services throughout the landside portion of the Airport, RDU #070119. Facilities Engineering & Maintenance Director Pittman reported on the staff recommendation for selection of a contractor to provide landscape maintenance services through the landside portion of the Airport. Four contractors submitted proposals in response to the Request for Proposals. They were The Brickman Group, The Budd Group, TruGreen LandCare and Valley Crest. All four proposers included commitments to subcontract work to DBE contractors. The most qualified bidder's proposed DBE percentage equals that of the current contracts combined and involves the same local DBEs currently used. The proposals were subjected to separate quality and cost reviews, with the scores from each being combined to determine the final score. The contract to be executed will be for a nineteen-month period ending with the close of the Authority's fiscal year 2004 on March 31, 2004, and will include three additional one-year renewals at the option of the Authority. The total cost for the initial nineteen-month period, including base bid items and miscellaneous items, will be \$1,141,752.12. Based on review of the proposals, including responsiveness to the stated requirements, qualifications and experience of key personnel, experience on similar projects, perception of and approach to the project, equipment and personnel resources, and a review of anticipated annual costs, the Committee recommended acceptance of the lowest cost proposal of \$1,141,752.12 and award of the contract to TruGreen LandCare.
2. Agreement with Parsons Transportation Group for construction phase engineering services for I-40/Aviation Parkway Interchange Improvements, RDU #080449. Senior Program Manager Quesenberry reported on the terms of the proposed Agreement with Parsons Transportation Group for construction phase engineering services for the I-40/ Aviation Parkway Interchange improvements. The Agreement authorizes construction phase engineering services involving contract administration, resident project representation, verification field surveying, and quality assurance testing for the project. Contract administration services include reviewing shop drawings, visiting the site periodically, interpreting the technical requirements of the plans and specifications, providing recommendations on technical issues in connection with processing pay applications, providing technical specifications and drawings for and preparing change orders, responding to requests from the Contractor for information on technical matters, and managing resident project representative staff. Resident project representation includes continuous inspection of the work, determination of compliance of the construction work with technical requirements, requesting check surveying when required, reviewing and assisting with pay

quantities in connection with processing payments to the Contractor, preparing reports and field logs regarding adherence of the work to technical requirements, coordinating public utility work with construction activities, and assisting in coordination of construction work with roadway operations. Compensation for services authorized by this Agreement will be based on unit costs against fixed ceiling amounts of \$141,000 for contract administration and resident project representation services, \$5,000 for verification field surveying services, and \$20,000 for quality assurance testing services, for a total amount of \$166,000. The Committee recommended approval of the proposed Agreement with Parsons Transportation Group.

3. *Amendment to the Agreement with Leigh Fisher Associates for Project Definition planning services for Terminal C Expansion and Modernization, RDU #070289.* Major Capital Improvements Program Director Powell reported on the terms of the proposed Amendment to the Agreement with Leigh Fisher Associates for Project Definition planning services for Terminal C Expansion and Modernization. Leigh Fisher Associates prepared a Project Definition study for the Airport's terminal area that was completed prior to the events of September 11, 2001. The purpose of the services authorized by the Amendment is to address (i) the impacts of the events of September 11, 2001 on the Terminal C component of the previously completed Project Definition study, (ii) the acquisition of American Airlines' leasehold interest by the Authority on June 15, 2002, (iii) curtailment of all service by Midway Airlines on July 17, 2002, and (iv) conversion of Terminal C from a facility that serves primarily hub airlines to one that serves multiple carriers. Additionally, the services include study of significant improvements to the processing facilities for international passengers, both in processing capacity and the level of service provided to the passengers. The services include programming and planning and development of drawings, descriptions and outline specifications to describe the revisions to the Terminal C portion of the study. The completed Project Definition documentation, which include drawings, descriptions, outline specifications, construction phasing and cost estimates, will be provided to the project architect and other designers, who will be required to comply with the documentation, including the construction cost estimates, established therein. The revised Project Definition study is scheduled for completion before the end of 2002. Compensation will be based on unit personnel rates against the fixed ceiling amount of \$1,366,792. The Committee recommended approval of the Amendment to the Agreement with Leigh Fisher Associates.

Member Teer made a motion, seconded by Member Clancy, to approve the recommendations of the Land & Development Committee. Adopted.

TRIANGLE ICON REPORT – Customer Service and Organizational Support Director Damiano reported on the status of the Triangle Icon project. Following the June 20th presentation to the Authority by Thad Woodard and Ben Taylor of an idea that an icon (monument) with aviation themes be located on the Airport, staff met to determine appropriate outdoor sites that might be suitable. The selected site must have the best customer exposure, and not be a site that will not be interrupted by future roadway or facility construction. The preferred site is on the west side of East Terminal Boulevard in the area between the Airside Drive bridge and the southwest side of Parking Garage 3. Staff then identified the purpose and goal for pursuing the project: to celebrate the 100th anniversary of powered flight; to interpret what flight will be like in the future; and to create a visual image associated with RDU. Staff met with the Authority's art Master Plan consultants, Wendy Feuer and Cheryl Stewart, to discuss the feasibility of the site and the project. It was concluded that the Triangle Icon project should be pursued through the same process used to select the artists for the parking garage pedestrian tunnel and general aviation terminal art

installations. The Authority will issue a limited national call to artists who work in outdoor art with durable materials (rock, steel and metal) and who can commit to this project full time in order to meet an aggressive schedule. The selected artist will provide qualifications, slides of applicable past work, and a brief description of a concept for the project. Staff will supply information on the project, the Airport, the site and the project purpose for the call. The Authority's art consultants will receive and review candidates' qualifications, previous works, references and initial concepts and narrow the proposals. In October, five artists will be selected from those responses and will be directed to submit fully developed proposals, including research, budget, materials, drawings and samples, and verbally present their written proposals to a selection committee in November. The artists will be given budget parameters to consider as well as site restrictions and conditions, such as topography, landscaping and lighting. At the November 21st Authority meeting, a recommendation will be made by the selection committee to the Authority. If the Authority approves that recommendation, a contract with the artist will be negotiated and presented for consideration at the December 19th Authority meeting. It is envisioned that the Authority will conduct the search and provide the administrative support, the services of the consultants, the site and its development, and ongoing maintenance of the monument. Thad Woodard and Ben Taylor will be responsible for fundraising with a target of raising \$400,000.

The Authority received the report. No further action was required.

MEMBER COMMENTS/REPORTS – Member Toler thanked the staff for their work in preparing the Taxicab Stand Manager Request for Proposals.

GENERAL COUNSEL'S REPORT – Attorney Tatum had no comments at this time.

AIRPORT DIRECTOR'S REPORT –

- Airport Directory Brantley requested a special meeting of the Land & Development Committee Meeting on September 5, 2002 to be followed by a short Authority meeting. The Committee will review the status of the Terminal C Project Definition study update and recommend an architect to be engaged for design and preparation of construction documents for renovation and expansion of Terminal C.
- Enplaned passengers for July 2002 totaled 403,917 versus 525,463 for July 2001 for a 23.1% decrease. Year-to-date 2002 enplaned passengers totaled 2,528,075 versus 3,198,467 for year-to-date 2001 for a 21.0% decrease.
- Deplaned passengers for July 2002 totaled 404,675 versus 508,699 for July 2001 for a 19.9% decrease. Year-to-date 2002 deplaned passengers totaled 2,523,362 versus 3,183,219 for year-to-date 2001 for a 20.7% decrease.
- Enplaned air cargo for July 2002 totaled 7,949,600 pounds versus 9,082,802 pounds for July 2001 for a 12.5% decrease. Year-to-date 2002 enplaned air cargo totaled 56,952,446 versus 73,200,732 for year-to-date 2001 for a 22.2% decrease.
- Deplaned air cargo for July 2002 totaled 9,846,878 pounds versus 9,520,975 pounds for July 2001 for a 3.4% increase. Year-to-date 2002 deplaned air cargo totaled 70,889,675 versus 73,683,083 for year-to-date 2001 for a 3.8% decrease.

- Weekday scheduled flight departures for July 2002 totaled 239 versus 326 for July 2001 for a 26.7% decrease.
- Aircraft operations for July 2002 totaled 20,714 versus 25,636 for July 2001 for a 19.2% decrease. Year-to-date 2002 aircraft operations totaled 143,791 versus 175,571 for year-to-date 2001 for an 18.1% decrease.
- The number of vehicles exiting the terminal area public parking lots during July 2002 totaled 198,586 versus 256,511 for July 2001 for a 22.6% decrease. The year-to-date 2002 number of vehicles exiting the terminal area public parking lots totaled 1,160,106 versus 1,477,046 for year-to-date 2001 for a 21.5% decrease.
- The number of taxicab trips taken during July 2002 totaled 10,867 versus 10,763 during July 2001 for a 1.0% increase. The year-to-date 2002 number of taxicab trips totaled 80,803 versus 81,090 for year-to-date 2001 for a 0.4% decrease.
- Airline load factors for the month were very good. Seven carriers had load factors between 70% and 83%.
- America West reported the best start up ever in their corporate history with respect to a new city. The Phoenix flights have been very full with 90% load factors.
- Rental car activity has returned to essentially the same level as last year.
- Airport Directory Brantley thanked Maintenance Manager Fulp and his staff for their continuous hard work on the HVAC and bag belt systems in Terminal C.
- The Authority has received payment of all of Midway's rents, fees and charges to date.
- US Airways filed for Chapter 11 bankruptcy protection on August 11. US Airways has been very consistent in paying their bills in the recent past. However, nearly \$400,000 is owed the Authority in pre-petition rents, fees and charges. US Airways was notified that the Authority has placed it on a cash-in-advance basis. A two weeks deposit is to be remitted today to fulfill the requirements of the accounts receivable policy (and was received on August 17).
- United Airlines is hinting at a bankruptcy filing. Employees own 55% of the company, which probably will be wiped out in a bankruptcy. It does not appear that United will be receiving any loan guarantees from the federal government's Air Transportation Stabilization Board.
- The N.C. National Guard has completed its airlifts to and from Ft. Riley, Kansas. The final flight was conducted on August 13. The mission was so successful that another airlift may be carried out to and from California next summer.
- President Bush rejected \$5.1 billion in supplemental appropriations funds in the Supplemental Appropriations Bills recently passed by Congress, which included aviation-related provisions include funding for EDS installation of \$756 million and reimbursement for airports' security

expenses of \$150 million. All funding for reimbursement of security expenses was denied. The TSA funds earmarked for law enforcement officers will most likely be reduced, as well as the funds for explosive detection equipment.

- The House of Representatives recently passed legislation to create the Federal Department of Homeland Security. If the Senate approves comparable legislation, the deadline for all checked baggage to be screened using explosives detection equipment would be extended to December 31, 2003. The Senate will consider its version of the legislation when it returns to session in early September.
- TSA Federal Security Director Ronald Juhl reported to RDU on July 15, 2002. Mr. Juhl is an Air Force veteran and has a background in security, not law enforcement. He is keeping staff informed of progress in upgrading the checkpoints. The TSA completed federalization of the checkpoint in Terminal A Extension on August 13 and will convert the other checkpoints on August 20. Staff has received reports that the customer service has improved substantially.
- The Marketing and Customer Services Committee will develop a customer service policy for security screeners. The next meeting of the Committee is scheduled for September 12 at 12:00 pm. Federal Security Director Juhl will be invited to the meeting.
- Staff has met several times with the Lockheed Martin team. The current plan is to increase by one the number of processing lanes at each of the checkpoints. The Terminal A Extension checkpoint will be moved downstairs into the east end of the lobby. Customers will immediately enter the concourse upon ascending the stairs. Upon relocation of the checkpoint, the space upstairs will become available for development of additional concessions near the Southwest and US Airways gates.
- The TSA is having significant difficulty hiring security screeners, particularly female screeners. At present, 74% of the screeners are male and 26% are female. The goal is 50/50. Increased leisure travel is producing more female travelers, thereby creating the need for more female screeners.
- Customer Service & Organizational Support Director Damiano reported on the status of the art to be installed in the pedestrian tunnel between Terminal A and the Parking Garage 3. Beginning the week of August 26th, the artists will begin to install panels of the ceramic tile mural on the south wall of the tunnel. The murals are depictions of the ecosystems of our State in the Mountains, Piedmont and Coastal Plains physiographic regions. Their creation involved very detailed research about these areas. Both art and a natural history story are depicted with what the artists' refer to as indicator species of the areas highlighted in side panels of the mural. There are six panels of 8x8 tiles, a total of 2,500 tiles. The panels on the north wall will be installed late in the fall. In September, the south wall will be finished, and staff would like for the Authority members to visit the tunnel on September 19 to see the installation and meet the artists.

ADJOURNMENT - There being no further business, Chairman Gibbs adjourned the meeting.

Respectfully submitted,

J. Ray Sparrow, Secretary

CORRECT ATTEST:

Kenneth D. Gibbs, Sr., Chairman